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## Before the Federal Communications Commission Washington, D.C. 205554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of	)
Revision of the Commission's Rules	) CC Docket No. 94-102
to ensure compatibility with	)
E-911 emergency calling systems	) <b>RM-8</b> 143
	)
	)
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To: The Commission

## Reply Comments of The Ericsson Corporation

The Ericsson Corporation, on behalf of itself and affiliated companies (hereinafter collectively referred to as "Ericsson"), hereby submits its reply comments in response to the *Notice of Proposed Rule Making*<sup>1</sup> in the above-captioned proceeding. Ericsson's reply comments will be limited to discussion of issues relating to PBX equipment. In support of its reply, Ericsson states as follows:

In the NPRM the Commission proposed to adopt new rules under Part 68 to ensure that PBX equipment<sup>2</sup> is compatible with E-911 systems.<sup>3</sup> The proposed rules place sole responsibility for E-911 compatibility on manufacturers of PBX equipment.



<sup>&</sup>lt;sup>1</sup> Revision of the Commission's Rules to Ensure Compatibility with E-911 Emergency Calling Systems, CC Docket No. 94-102, RM-8143, FCC 94-237, \_\_\_ Rcd \_\_\_ (released October 19, 1994) (hereinafter "NPRM").

<sup>&</sup>lt;sup>2</sup> Reference herein to PBX equipment includes other "dispersed telephone system" equipment as described in the NPRM.

<sup>&</sup>lt;sup>3</sup> NPRM, para. 20.

Notwithstanding certain grandfathering provisions and phase-in implementation dates, the rules require the PBX itself to meet the proposed rules for E-911 compatibility.

Ericsson supports the Commission's proposal requiring PBX systems<sup>4</sup> to be compatible with E-911 services since rules promulgated thereon will serve the public interest.<sup>5</sup> However, Ericsson believes the proposed rules should be modified to make E-911 compliance "system-based" rather than "equipment-based" and they should further specifically allow compliance to be demonstrated by using devices and/or equipment external to a PBX.

Proposed Section 68.320 of the Commission's rules requires, among other things, that PBXs be E-911 compatible. Today, many PBX systems are compatible with E-911 services by virtue of OEM devices integrated therewith, but which are external to the PBX. The proposed rules appear to eliminate the ability of PBX manufacturers to provide E-911 compatibility in that manner. The proposed rules appear to require PBX manufacturers to re-design their equipment to make E-911 compatibility a function internal to the PBX. Ericsson submits that the rules should be modified to allow manufacturers to demonstrate E-911 compatibility (1) through solutions internal to the PBX or (2) through the use of external add-on peripheral devices. A change in Part 68 in this regard has a number of advantages.

<sup>&</sup>lt;sup>4</sup> Ericsson distinguishes the PBX as a single device from a PBX system which incorporates the PBX and all associated equipment.

<sup>&</sup>lt;sup>5</sup> Ericsson's view on E-911 services in the wireless area is somewhat tempered due to the nature of the wireless environment and the difficulty in meeting certain Commission proposed technical standards. See, Comments of The Ericsson Corporation in the above-captioned proceeding.

First, allowing PBX systems to demonstrate E-911 compatibility by using devices external to the PBX will result in a more competitive, robust market for such peripheral devices which will have the tendency to lower prices therefor. At the present time, there are approximately 6 manufacturers of devices which can be attached to a PBX which makes the PBX E-911 compatible. If the Commission mandates E-911 compatibility but allows external solutions to satisfy its requirements, the number of manufacturers of such devices will increase. Competition will also increase as a result thereof creating additional downward price pressure. Ultimately, this will result in lower prices for PBX systems which incorporate E-911 compatibility.

Second, requiring PBXs to internally meet E-911 compatibility standards will have an adverse impact on the ability of U.S.-based PBX manufacturers to compete in the international marketplace. E-911 is a unique U.S. service offering that does not exist in non-domestic markets. Because PBX manufacturers already operate with extremely low margins due to the competitive nature of the business, it is not economically feasible to manufacture separate PBXs for the U.S. market (internally incorporating E-911 compatibility) and for non-U.S. markets (which do not internally incorporate E-911 compatibility). If Section 68.320 is adopted U.S. manufacturers will be required to incorporate into all its PBXs, E-911 compatibility—even when such equipment is intended for export where E-911 is not required. The cost of U.S. manufactured PBX equipment will increase and will be less competitive with non-U.S. manufactured equipment. This is detrimental to U.S. manufacturing interests and should be avoided—especially where external solutions exist.

For the foregoing reasons, Ericsson agrees with those commenters who supported rules which do not require E-911 compatibility solutions which are solely "internal" to the PBX. Similarly, Ericsson agrees with the views of those parties who support rules which allow E-911 compatibility to be met by solutions "external" to the PBX.

Respectfully submitted,

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